



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	SB0023	Title:	Add professionals to quality educator payment
Primary Sponsor:	Moss, L.	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$59,539	\$59,539	\$59,539	\$59,539
Revenues:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$59,539)</u>	<u>(\$59,539)</u>	<u>(\$59,539)</u>	<u>(\$59,539)</u>

Description of fiscal Impact: Senate Bill 23 adds licensed school psychologists and licensed social workers to the list of professionals included in the \$2,000 per "Quality Educator" payment. Public schools, state funded schools, and special education cooperatives reported employing 26.25 FTE licensed social workers and 2.4 FTE licensed psychologists (who did not also hold an educator license) in FY 2007. Total cost will be \$59,539.

FISCAL ANALYSIS

Assumptions:

- For the FY 2007 school year, public schools, state funded schools, and special education cooperatives reported employing 26.25 FTE licensed social workers and 2.4 FTE licensed psychologists (who did not also hold an educator license).
- The FTE count in item 1 includes one licensed school psychologist at the School for the Deaf and Blind and one licensed social worker at Pine Hills Youth Correctional Facility in Miles City. Under SB 23, these FTE would generate the \$2,000 per FTE payment for their employing school district or cooperative.
- Districts will use this additional funding to increase salaries of staff described in SB 23.
- The additional salaries will generate additional benefits payable for the district retirement fund. Retirement benefits as defined in this fiscal note include contributions of the employer to retirement systems, unemployment insurance, social security and Medicare.

5. Estimated benefit rate is 15% based upon FY 2006 employer contribution rates:

	Certified Staff	Classified Staff
TRS	7.47%	
PERS		6.90%
FICA	6.20%	6.20%
Medicare	1.45%	1.45%
Unemployment	<u>0.02%</u>	<u>0.02%</u>
Totals	15.14%	14.57%

6. Based on budget data from FY 2006, on average, the state pays retirement guaranteed tax base aid (GTB) of approximately 28% of countywide retirement tax levy.
7. Retirement costs relate only to the K12 salaries. Estimated cost to the state and county:

Fiscal Year	Estimated Salary Increases All Agencies	Estimated K12 Salary Increases	Estimated Benefit Rate	County Retirement Fund Cost	State Share	County Share
2008	\$57,300	\$53,300	15%	\$7,995	\$2,239	\$5,756
2009	\$57,300	\$53,300	15%	\$7,995	\$2,239	\$5,756
2010	\$57,300	\$53,300	15%	\$7,995	\$2,239	\$5,756
2011	\$57,300	\$53,300	15%	\$7,995	\$2,239	\$5,756

8. The number of licensed social workers and licensed psychologists employed by schools, cooperatives, School for the Deaf and Blind, and Pine Hills Youth Correctional Facility in Miles City is expected to remain at 28.65 in FY 2008 through FY 2011. The cost of these additional FTE at the present Quality Educator Payment rate of \$2,000 plus the retirement costs is \$59,539 per year.
9. The Executive budget includes an increase in the Quality Educator Payment of \$790. Other bills also increase this payment. These increased costs are not included in this fiscal note.

Office of Public Instruction

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Personal Services	\$2,239	\$2,239	\$2,239	\$2,239
Local Assistance	\$53,300	\$53,300	\$53,300	\$53,300
<u>Funding of Expenditures:</u>				
General Fund (01)	\$55,539	\$55,539	\$55,539	\$55,539

Montana School for the Deaf and Blind

<u>Expenditures:</u>				
Local Assistance	\$2,000	\$2,000	\$2,000	\$2,000
<u>Funding of Expenditures:</u>				
General Fund (01)	\$2,000	\$2,000	\$2,000	\$2,000

Department of Corrections

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Expenditures:</u>				
Local Assistance	\$2,000	\$2,000	\$2,000	\$2,000
<u>Funding of Expenditures:</u>				
General Fund (01)	\$2,000	\$2,000	\$2,000	\$2,000
Summary				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$59,539)	(\$59,539)	(\$59,539)	(\$59,539)

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date